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**TOWN COUNCIL SPECIAL MEETING MINUTES**  
**THURSDAY, JULY 26, 2012**  
**Town Hall Council Chambers**  
**551 Hot Springs Blvd.**  
**12:00 P.M.**

- I. **CALL MEETING TO ORDER** – Mayor Aragon, Council Member Alley, Council Member Bunning, Council Member Cotton, Council Member Lattin, Council Member Schanzenbaker, Council Member Volger
- II. **APPROVAL of MEETING MINUTES FROM JULY 3, 2012** – The minutes were approved as read
- III. **PUBLIC COMMENT** – *Please sign in to make public comment* – none
- IV. **LIQUOR LICENSE**
  1. **New Hotel & Restaurant Liquor License – River Sports Bar & Grill LLC, 358 E Hwy 160, Pagosa Springs (Public Hearing)** – Council Member Volger moved to approve River Sports Bar & Grill hotel and restaurant license, Council Member Alley seconded, unanimously approved.
  2. **Liquor License Renewal – Western Refining Southwest Inc. dba Giant, 2537 W Highway 160, Pagosa Springs**
  3. **Liquor License Renewal – Yearling & Bumblebee LLC dba DSP, 100 Country Center Dr, Pagosa Springs**
  4. **Liquor License Renewal – Em & Randolph Fehrenbacher dba Thai Chile, 565 Village Dr. Ste D, Pagosa Springs**
  5. **Liquor License Renewal – Overlook Hot Springs Spa, 432 Pagosa St., Pagosa Springs** - Council Member Volger moved to approve the Liquor License Renewals for Western Refining Southwest Inc. dba Giant, Yearling & Bumblebee LLC dba DSP, Em & Randolph Fehrenbacher dba Thai Chile, and Overlook Hot Springs Spa, Council Member Lattin seconded, unanimously approved.
  6. **Special Events Liquor Permit – Folkwest Inc, Folk Festival at Reservoir Hill Park, August 31<sup>st</sup>, September 1 & 2, 2012** – Council Member Lattin moved to approve the special events liquor permit for Folkwest Inc, Folkfest August 31<sup>st</sup>, September 1<sup>st</sup> and 2<sup>nd</sup>, Council Member Bunning seconded, unanimously approved.
- V. **DELEGATION**
  1. **Community Promotional Video – Mark Weiler (6 minutes)** – Mr. Mark Weiler a quality vacation video of the Alberta Mountains in Canada about vacationing in the area. He would like Pagosa to produce a quality video similar to this to attract vacationers to a sports competition event over two weekends, one in April and one in October, which are the low tourism season in Pagosa Springs. He would like the event sponsored by the lodgers with substantial prize money to the participants. He suggests a biking and running

event that will draw people to the downtown area.

2. **Pagosa Verde Symposium – Jerry Smith (6 minutes)** – Mr. Jerry Smith presented information to the Town Council about the Pagosa Verde Symposium happening August 9<sup>th</sup>, 2012. This symposium is designed to energize the community in technical development targeting construction, real estate, and agriculture in the area. He thanked the TTC, CDC and Chamber of Commerce, Growing Spaces, and Geothermal Group who have been supportive of this project. The group is looking for sponsorship for breakfast and reception, and would like the town to register to attend.

## VI. NEW BUSINESS

1. **Resolution 2012-13, TTC Board Appointment** - Town Council approved the 2<sup>nd</sup> reading of the ordinance 774 during the July 3<sup>rd</sup> meeting, which changed the allocation the seats to the Town Tourism Committee. As a result, the Lodging Association has appointed a member for their new seat. Additionally, the Chamber of Commerce also recommended a replacement on the TTC for Madeline Lyon, as she recently resigned from the Chamber of Commerce board. Carla Shaw, with the Springs Resort & Spa, was nominated by the Lodging Association and Stacy Boone, owner of Step Outdoors, was nominated by the Chamber of Commerce. The Town Tourism Committee unanimously approved both recommendations to the committee. Council Member Lattin moved to approve Resolution 2012-13, appointing Carla Shaw and Stacy Boone to the Town Tourism Committee for a two (2) year term, Council Member Bunning seconded, unanimously approved.

## VII. OLD BUSINESS

1. **Sales Tax Brief** – Sales tax collected in July for the May retail sales month decreased 14.59% compared to the same month in 2012. In 2011, the town received extraordinary income in the Transportation and Warehousing category. This one time increase caused the decline in July, without including the T&W income, sales tax increased 5.32% from last year and 5.56% year to date.
2. **Ordinance No. 772, Second Reading, Springs Development 10 year Vested Property Rights (Quasi-Judicial-Public Hearing)** - On June 3<sup>rd</sup>, 2008 the Town Council approved a PUD sketch plan for the Springs Resort development plan, and then approved a series of one year extensions. The property has since changed ownership and the new owner, Springs Partners, LLC, had submitted an application for a revision of the originally approved sketch plan, which was approved by the Planning Commission on March 13, 2012. The applicants requested ten (10) year Vested Property Rights will enable the property owner to secure the Sketch Plan A & B approval for a period of 10 years, without seeking annual extensions. Sketch Plan A included a 5<sup>th</sup> Street Vehicular Bridge ROW over the San Juan River and the associated connection road improvements to connect to Hot Springs Blvd at the Springs Street intersection, and Sketch plan B which does not include the bridge and road ROW. The Town Council approved the first reading on July 3, 2012, with no amendments. Council Member Volger moved to approve second reading of Ordinance No. 772, approving Vested Property Rights and Acquisition of Public Transportation Easement within the Springs Development Major Subdivision Sketch Plan, Council Member Lattin seconded, unanimously approved.

## VIII. DEPARTMENT HEAD REPORTS

1. **Town Tourism Committee Report** - Lodgers tax collections were up 9.8% in May 2012, as compared to May 2011, an increase of \$2,133.33. April was actually up over 2011 and May 2012 was the strongest May on record up 11.6%. Year to date, lodgers tax collections are up 10.81% over 2011, or an increase of \$13,480.57. Total traffic including both visitor centers was up 2.3%. Visitor Guide requests in June were up significantly. June 2012 showed a 112% increase over 2011 – 4,444 leads generated versus 2,092 in 2011. Much of the increase was due to leads generated through

[www.colorado.com](http://www.colorado.com) The TTC wholeheartedly thanked Melissa Buckley for organizing Red, White & Brews for the community. Although the fireworks were cancelled and the dry weather limited the amount of participants, the TTC is looking forward to continuing the event in 2013. The TTC is close to completing significant enhancements to the tourism website ([www.visitpagosasprings.com](http://www.visitpagosasprings.com)). The new enhancements will allow us to develop the phone app in a manner that will allow the product to evolve over time, and an itinerary builder available on line. Council Member Alley suggested next years events are focused closer to Yamaguchi Park or at least a connection between all the downtown events.

2. **Planning Department Report** – At the July 10<sup>th</sup> meeting, the Design Review Board approved continuing a public hearing regarding Major Design Review for the Wal-Mart project to August 14, 2012, which has been changed due to scheduling conflicts to August 21, 2012 in the Community Center Multi-Purpose Room at 5:15pm. The next special scheduled HPB meeting is on Tuesday August 14, 2012 at 3:30pm in Town Hall. Pradera Point Phase One final plat one year extension has been approved. Construction is complete on the sidewalk project at the 100 block of Hwy 160. The lights are ordered and should be installed soon. The 8<sup>th</sup> Street sidewalk project consists of sidewalks along S. 8th Street and a Multiuse Trail from 8th to 10th Street along the south side of Hwy 160 and extending 300 feet along the north side of the Elementary School. The Town's approved 2012 budget includes \$238,296.00 in CDOT Transportation Enhancement grant funds and \$60,000 (SJ Alley Sidewalk) in Town cash match for the design and construction of this project. Davis Engineering was selected as the engineer on the project. Council Member Volger volunteered to serve on the committee to participate in the engineering negotiations and review, with the first meeting scheduled for Monday, July 30, 2012 at 9am. Representatives from town met with CDOT representatives and the property owner on July 13, 2012 to discuss the failing McCabe Creek Culvert under the Hwy and under the downstream property. CDOT has recently conducted and completed a full analysis of the McCabe Creek drainage that will be very beneficial in moving forward. This culvert was recently rated as one of the worst culverts in CDOT's Region 5. CDOT will be paying for the culvert under the Hwy, but will not move forward until the downstream culvert is completed. A series of meetings will continue regarding the replacement of the McCabe Creek Culvert under Hwy 160. Mr. Zach Richardson was selected as the new Town Building Official. Geothermal Inc., Jerry Hutrer, is completing the geothermal assessment and the aquifer testing report should be available in August.
3. **Town Manager Report** - The San Juan Historical Society (SJHS) currently leases the museum and occupies property owned by the Town located on the corner of 1st Street and Pagosa Street (Lots 1 and 2, Block 25). The current lease was entered into in 1974. The town manager intends to draft a new lease between the Town of Pagosa Springs and San Juan Historical Society for all four lots at the corner of 1st Street and Pagosa Street (Lots 1, 2, 3 and 4, Block 25).

**IX. APPROVAL OF JUNE FINANCIAL STATEMENT AND ACCOMPANYING PAYMENTS**  
– Mayor Aragon tabled this item to the August 7<sup>th</sup> meeting agenda.

- X. PUBLIC COMMENT** – *Please sign in to make public comment* – Mr. Jim McQuiggin said his time in Pagosa and with the Town Council has been rough and fun, he is moving out of the area, over the last four years. He said he always defended the Town, that he has never seen evidence that the Mayor or the board have ever acted in any way that did not benefit the town. Mr. Gary Williams is a specialist of social and economic development. He encourages the town council to push the planning commission that if the project comes it is a better project for the community. He would like the town council to commit not to spend tax money to entice large corporations to come into town. Mrs. Valerie Green said the show presented by Mr. Mark Weiler focused on Alberta Canada with over 3.6 million residents and a tremendous amount of natural resources. She said the lodgers,

who she represents, do not have the funds to produce a video like the one presented by Mr. Weiler. She is concerned that Mr. Weiler is suggesting the lodgers pay for the video for the proposed events. She said the lodgers have supported town events and Morgan Murri's events in the past and they will continue on their own terms; the lodgers don't want to be forced to support an event. Expenditures for this grand scale should be shouldered by the whole community not by just the lodging association members and lodging businesses. She is asking Mr. Weiler to cease with the poorly conceived idea to raise money through lodging taxes and to look elsewhere at grants and the like. Mrs. Vivian Rader asked if written public comment was required 8 days prior to the meeting, she feels this policy is damaging to the public process. She is concerned about the traffic signage being removed at Aspen Village Drive and Hwy 160; she asked who took down the signs and if CDOT was advised. She said there is merging lanes and the paint is missing. She said her dental office on Hwy 160 is very upset about losing their parking on Hwy 160 due to a yellow striping along the street after the 100 block sidewalk was completed. She said she has come across three false documents; two have been recorded with the Archuleta County clerk's office. She said the town is named as a participant, and she is at a point where she is going to have to report it. She will probably be filing a complaint if the information is not clarified during the next design review board meeting.

**XI. NEXT TOWN COUNCIL MEETING AUGUST 7, 2012 AT 5:00PM**

**XII. ADJOURNMENT** – Upon motion duly made, the meeting adjourned at 1:05pm

**Ross Aragón  
Mayor**